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Letter dated 17 October 2007 from the Chairman of the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire addressed to the President of the Security Council

On behalf of the Security Council Committee established pursuant to resolution 1572 (2004) concerning Côte d'Ivoire, and in accordance with paragraph 2 of Security Council resolution 1761 (2007), I have the honour to transmit herewith the report of the Group of Experts on Côte d'Ivoire (see annex).

I would appreciate it if the present letter and its annex were brought to the attention of the members of the Council and issued as a document of the Council.

(*Signed*) Johan C. **Verbeke**
Chairman
Security Council Committee established pursuant to
resolution 1572 (2004) concerning Côte d'Ivoire

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Annex

[Original: French]

Letter dated 21 September 2007 from the Group of Experts on Côte d'Ivoire to the Chairman of the Security Council Committee established pursuant to resolution 1572 (2004)

The members of the Group of Experts on Côte d'Ivoire have the honour to transmit herewith the report of the Group prepared pursuant to paragraph 2 of Security Council resolution 1761 (2007).

(*Signed*) Grégoire **Bafouatika**

(*Signed*) Abdoul Wahab **Diakhaby**

(*Signed*) Claudio **Gramizzi**

(*Signed*) Lipika **Majumdar Roy Choudhury**

(*Signed*) Oumar Dièye **Sidi**

Report of the Group of Experts on Côte d'Ivoire on the implementation of paragraph 2 of Security Council resolution 1761 (2006)

[Original: French]

Summary

During its investigations, the Group of Experts observed a lack of understanding on the part of certain Ivorian political authorities who believed that, with the signing of the Ouagadougou Political Agreement on 4 March 2007, their mission was out of step with the current reconciliation process. A similar attitude was detected, in particular in the military under the command of the Defence and Security Forces of Côte d'Ivoire (FDS-CI), during the embargo inspections carried out by the impartial forces, for which permission is being refused with increasing frequency.

To illustrate the difficulties encountered by the impartial forces in carrying out surveillance of the embargo on arms and related materiel, the Group also noted the discrepancy between the weapons lists provided by FDS-CI and the Defence and Security Forces of Forces nouvelles (FDS-FN) and their real capacities. A case concerning RGD-5 grenades noted during an inspection is included as an example.

The experts investigated an order for Imperial Armour equipment by the National Police. The Group was able to obtain some information on the delivery of this equipment, although it did not have the full cooperation of the police authorities who, after categorically denying having received the equipment, agreed, at the experts' insistence, to submit an incomplete purchase order, together with a sample of the shipment.

The experts were interested in the status of the Ivorian air fleet in general and the Mi-24 (TU-VHO) helicopter grounded since October 2006 in particular, and in the presence of foreign technicians.

In the area of natural resources management, the Group held meetings, for the first time, with the heads of three out of four quasi-Government agencies in the coffee and cocoa sector (Coffee and Cocoa Regulatory Authority (ARCC), Coffee and Cocoa Marketing Exchange (BCC), and Financial Regulation Fund (FRC)), arranged through the efforts of His Excellency the Ambassador of Côte d'Ivoire to the United Nations, and confirms the lack of transparency in the management of revenue in the coffee and cocoa and hydrocarbons sectors.

The Group conducted investigations into the application of individual sanctions. In this connection, it focused, in particular, on a case involving the violation of the provisions of paragraph 11 of resolution 1572 (2004).

The Group also continued its investigation into possible violations of the embargo on diamond exports. It uncovered evidence of persistent activity in the Tortiya and Séguéla mining areas. Also, many dealers confirmed the use of Malian smuggling rings to move Ivorian diamonds out of the country.

The experts welcome the cooperation of the Kimberley Process and its efforts to encourage participating States to introduce further improvements in their internal control systems.

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Abbreviations

ARCC	Coffee and Cocoa Regulatory Authority
First BASA	First ground-to-air artillery battalion
First BB	Armoured battalion
BCC	Coffee and Cocoa Marketing Exchange
FACI	Forces aériennes de Côte d'Ivoire
FAFN	Armed forces of the Forces nouvelles
FANCI	Forces armées nationales de Côte d'Ivoire
FCFA	CFA francs
FDS-CI	Defence and Security Forces of Côte d'Ivoire
FDS-FN	Defence and Security Forces of Forces nouvelles
FN	Forces nouvelles
FRC	Financial Regulation Fund
RGD	*Ruchnaya granata degtyareva* (Degtyareva hand grenade)
UNOCI	United Nations Operation in Côte d'Ivoire
SNEPCI	Société nouvelle de presse et d'édition de Côte d'Ivoire

I. Introduction

1. By resolution 1761 (2007) of 20 June 2007, the Security Council extended the mandate of the Group of Experts until 31 October 2007. Pursuant to this resolution, on 9 July 2007, the Secretary-General appointed five members of the Group of Experts (S/2007/415): Mr. Grégoire Bafouatika (Congo), an expert in civil aviation, Mr. Abdoul Wahab Diakhaby (Guinea), a diamond expert, Mr. Oumar Dièye Sidi (Niger), a customs expert, Mr. Claudio Gramizzi (Italy), an arms expert and Ms. Lipika Majumdar Roy Choudhury (India), a finance expert.

2. This document is an update of the Group's previous report dated 14 June 2007 (S/2007/349). It follows on from the Group's previous reports dated 18 July 2005 (S/2005/470), 7 November 2005 (S/2005/699), 31 March 2006 (S/2006/204), 5 October 2006 (S/2006/735) and 12 December 2006 (S/2006/964).

3. The experts' mission began on 23 July 2007. During its mandate, the Group visited Côte d'Ivoire, Belgium, Bulgaria, the United Arab Emirates, France, Ghana and Togo. Beginning on 28 July 2007, the Group went on a field mission that lasted until 19 September. Priority was accorded to Côte d'Ivoire, where the Group maintained a permanent presence and visited a number of villages located in both the Government-controlled zone and the zone controlled by the Forces nouvelles.

4. The Group kept the Committee established pursuant to paragraph 14 of resolution 1572 (2004) informed of its activities by submitting its monthly report on 22 August 2007. It also developed better relations of cooperation with UNOCI and Licorne, particularly with regard to embargo surveillance measures.

II. Developments in the situation in Côte d'Ivoire

5. Although the tension abated after the signing of the Ouagadougou Agreement on 4 March 2007 (S/2007/144), the process of emerging from the crisis has not significantly progressed beyond symbolic acts. This, moreover, was highlighted in the Final Communiqué of the second meeting of the Evaluation and Monitoring Committee of the Inter-Ivorian Dialogue, held on 4 September 2007, which stresses that much remains to be done in the political, security, economic and humanitarian sectors.

6. The attack on the Prime Minister, Mr. Guillaume Soro, on 29 June 2007, is a concrete example of the latent fragility in the security situation and the possibility that isolated episodes could still hamper the peace process as a whole. It is the view of the Group that such potential threats could hang over the country as long as two basic conditions remain unfulfilled. The first is the integral execution of the programme to disarm combatants and dismantle militias, as provided in article 3.2 of the Ouagadougou Agreement. The second is redeployment of the Government administration in the zones controlled by the Forces nouvelles, together with the restoration of Government authority over all its troops.

7. This transition phase has also witnessed a resurgence of cases of abuse of authority, such as arbitrary arrest and detention, ill treatment and extrajudiciary killings. For example, on a visit to the northern part of the country, the Group obtained written evidence of an episode that ended in the death of one person as a result of torture inflicted by FDS-FN troops during an arrest. These incidents

occurred in the Office of the FN secretary-general, in Bouaké, on 29 and 30 August 2007, at the very time and place that the experts were being received by the secretary-general and the chief of staff of the FN armed forces.

III. Arms

8. In view of the limited duration of the Group's mandate and minimal cooperation by some of its interlocutors, the experts were able to investigate only a limited number of cases relating to the current embargo on arms and related materiel. The primary purpose of the investigations they did carry out was to conduct additional research into the cases presented in the Group's previous report (S/2007/349). The experts did not detect any violations of the embargo on the supply of military equipment during the current mandate.

A. The needs of the National Police of Côte d'Ivoire

9. During his meeting with the experts on 16 August 2007 in Abidjan, the Director-General of the National Police of Côte d'Ivoire reiterated the need to equip his officers with law enforcement equipment, in particular 9-mm calibre pistols, so that they may fulfil their duty to protect persons and property, to maintain law and order, to accompany the redeployment of the government administration into the country's northern zone and to provide security during the upcoming elections.

10. According to the Director-General of the Police, between 6,000 and 8,000 police officers out of a total force of 16,000 currently do not own a regulation hand weapon. In addition, the Ivorian police force is completely out of 56-mm grenades for Cougar-type grenade launchers and 40-mm tear gas grenades.

B. Follow-up to the cases investigated during the previous mandate

1. The Imperial Armour case

11. The Group conducted additional research into the shipment of protective equipment for the National Police of Côte d'Ivoire by the company Imperial Armour mentioned in the report contained in document S/2007/349 (paras. 56 to 62). Because their initial requests for information from officials of the National Police led nowhere, the experts decided to seek the cooperation of the Ministry of the Interior and National Security, Ivorian customs and the Ministry of Defence, which is responsible for all purchases of equipment for the various elements of FDS-CI.

12. Following an initial meeting with the Group and at the latter's insistence, the Director-General of the National Police of Côte d'Ivoire — or rather the Deputy Director-General with responsibility for law enforcement, Divisional Commissioner Brédou M'Bia, on his behalf — carried out the checks requested by the Group of Experts with regard to this equipment. On 4 September 2007, the Deputy Director-General provided the experts with a copy of the invoice relating to the purchase of the equipment, minus the information relating to the commercial value of the items (invoice no. 174 of 20 November 2006, see annex II), and a helmet (see photo 1) that was among the equipment ordered. The experts were able to determine that the quantities of items (helmets, shields, and arm and leg protectors) indicated in the

invoice correspond to those mentioned by the manufacturer at a meeting with the experts in May 2007. They were also able to confirm that the helmet in question (a non-bulletproof protective helmet) was non-ballistic in nature and bore the name of the manufacturer.

Photo 1
Non-bulletproof anti-riot helmet manufactured by Imperial Armour and given to the experts by Divisional Commissioner Brédou M'Bia on 4 September 2007

13. The Deputy Director-General of the National Police said that it was impossible for the Group to physically inspect all the helmets since they had been distributed, upon receipt, to the various police checkpoints. He also said that he was unable to provide the Group with proof that the armoury of the National Police had received the imported equipment or with any other document besides the one already provided.

14. When questioned about the existence of a second contract that had apparently been the subject of negotiations between the National Police and Imperial Armour, the Deputy Director-General admitted that negotiations had taken place. However, the talks had never gone beyond the initial stage because the Ivorian authorities had refused to release the funds needed to finalize the purchase for fear that, as had happened with the contract concluded with Tusk Trading Pty Ltd, the order would fall through.

15. On 4 September 2007, the Ivorian Customs Administration provided the Group with a copy of customs declaration no. 70301700368E of 10 January 2007 concerning imports of protective headgear by the Ministry of National Security from Imperial Armour. The experts were unable to obtain the documentation on which this customs declaration was based. Moreover, despite several attempts, the experts were unable to determine whether or not the forwarding agent in question (Transit interarmées) had submitted any other customs declarations mentioning this supplier.

16. Based on the information obtained, the Group is not in a position to set aside all its doubts concerning the real nature of the equipment in question (particularly with regard to the reference to "bulletproof" found in the air waybill presented in report S/2007/349) or to conclude that the delivery made to the Ministry of National Security (National Police) between late 2006 and early 2007 concerned only protective equipment to be used solely for maintaining law and order. The Group considers that further checks with the National Police of Côte d'Ivoire, the Ivorian customs and the exporter are still needed.

2. The Tusk Trading case

17. While stressing that their dealings with Tusk Trading Pty Ltd were necessary (see reports contained in documents S/2006/964 and S/2007/349), National Police officials reiterated that they do not intend to push for the contract to be concluded until such time as the current sanctions regime is lifted or a specific exemption is granted to that effect by the Security Council Sanctions Committee.

18. During their mandate, the experts were also interested in the financial movements in the Tusk Trading Pty Ltd account into which the State of Côte d'Ivoire had made its payment (see reports contained in documents S/2006/964 and S/2007/349). According to information obtained by the Group in this regard, it would seem that on 17 May 2007 the entire sum that had been paid into the account by the Ivorian authorities was transferred to other accounts by Vandenbosch, implying that he would be free to use those funds as he wished.

C. Case study: Bulgarian-made RGD-5 grenades

19. This case illustrates the difficulties inherent in monitoring effectively the embargo on military supplies owing, in part, to the ineffectiveness of the instruments available to the impartial forces and the experts. Worse still, the equipment lists submitted to UNOCI by FDS-CI and the Armed forces of the Forces nouvelles (FAFN), on 29 March 2005 and 15 February 2006 respectively, did not mention all the equipment that was in their possession when the embargo was imposed. Furthermore, these lists only briefly describe the arms in question and do not mention, for example, their individual identification numbers.

20. A batch of four crates of RDG-5 hand grenades was observed for the first time during an embargo inspection conducted at Akouedo camp (Abidjan) in June 2006. On the basis of the information contained in outer markings on these crates, the experts were able to determine both the country of manufacture (Bulgaria) and the year of production (2004). Following verification, the experts were also able to determine that these products were not explicitly mentioned on the equipment list sent by the military authorities of FDS-CI to UNOCI. In order to carry out further checks on this equipment, of which the date of arrival in Côte d'Ivoire is unknown, the experts travelled to Bulgaria from 8 to 14 September 2007.

21. As a result of the cooperation of the Bulgarian authorities responsible for controlling exports of military equipment and dual-use items at the national level, the experts were able to determine that the grenades in question were part of a consignment of 2,000 grenades that had been exported, with the authorization of the Bulgarian Government, and received by the Ivorian authorities in October 2004, i.e. before sanctions were imposed under Security Council resolution 1572 (2004).

22. The experts were able to access the documentation relating to this transfer, in particular, the end-user certificate submitted by the Ivorian authorities and dated 16 August 2004, the export permits granted by the Bulgarian authorities on 8 September 2004, the customs declarations relating to the export of these items dated 2 October 2004, the air waybills accompanying the export, and the certificate of delivery of the equipment signed by the Ministry of Defence of Côte d'Ivoire on 21 October 2004.

23. Other weapons not mentioned on the equipment lists were also observed. During the embargo inspections in which they participated, the experts were able to observe, for example, 9Sh119 sights for Fagot 9M111 anti-tank missiles. However, owing to the limited duration of the Group's mandate, the dearth of information contained in the markings on these weapons and the fact that it was difficult to identify immediately the country of manufacture, the experts were unable to investigate this case further. The experts are of the view, however, that consideration should be given to pursuing these investigations at a later date.

D. Cross-border movements of weapons and concerns regarding the implementation of the disarmament, demobilization and reintegration process

24. Given the porous nature of the borders of Côte d'Ivoire and the availability of weapons in the subregion in general and in Côte d'Ivoire in particular, the experts consider the illicit trafficking in firearms to be a worrying phenomenon. Furthermore, efforts to disarm and disband militias have, for the moment, been only partially effective.

25. During the ceremony held in Guiglo on 19 May 2007, which was heralded by the Ivorian authorities as the launch of the process of disbanding pro-Government militias, only 138 of the 1,027 weapons destroyed were actually serviceable. The disappearance of 472 weapons (the difference between the weapons actually recovered by UNOCI following the ceremony and those announced by the authorities during the ceremony), including an 82-mm mortar, remains a matter of concern.

26. Furthermore, during the "Flame of Peace" ceremony organized in Bouaké on 30 July 2007, only 1,606 of the 2,121 weapons initially earmarked for destruction were actually burned. According to the list obtained by the experts, the vast majority of these weapons were old and probably not in working order. By contrast, the 515 weapons that were initially listed in the batch of weapons earmarked for destruction but ultimately kept by FAFN were in good working order. An unspecified number of working "Mle 55" 120-mm mortars were also observed during embargo inspections and initially earmarked for destruction, but UNOCI has since lost all trace of them.

27. Given the great quantity of working weapons that are known to have disappeared and the threat that they represent, the Group is of the view that the two cases mentioned above should be investigated further.

IV. Monitoring of the embargo

28. The experts worked closely with the UNOCI embargo cell, exchanging information with it on a continuous basis and accompanying it during the following four embargo inspections: 8 August 2007 (first ground-to-air artillery battalion of Akouedo), 20 August 2007 (Abidjan airbase), 23 August 2007 (Armoured battalion of Akouedo) and 11 September 2007 (first ground-to-air artillery battalion of Akouedo). During the first of these inspections, the inspection team was denied access to the site.

29. The Group notes that a number of military units continue to refuse to allow the impartial forces to conduct inspections, despite the fact that the UNOCI embargo cell gives advance notice to the Operations Planning and Monitoring Centre (CPCO), which has oversight of the institutions scheduled for an embargo inspection. The units of the Republican Guard, to which access has never been granted since the embargo was imposed, are a prime example (see annex III).

30. Such refusals have been on the increase since the signing of the Ouagadougou Agreement on 4 March 2007, particularly among FDS-CI. For example, during the period from 1 January to 30 August 2007, 26 of the 177 inspections scheduled for FDS-CI were refused, 22 of them between 1 April and 30 August alone. During the same period, 5 of the 133 inspections planned for the units of the Forces nouvelles were refused, 3 of them between 1 April and 30 August 2007.

31. In its report S/2007/349, the Group of Experts mentioned the absence of inspections by the impartial forces of the port facilities in Abidjan and San Pedro. As yet, no institution responsible for inspecting maritime freight has been installed at these ports, which therefore continue to be porous in nature. At the same time, embargo-monitoring capacity at Abidjan and Yamoussoukro airports was seriously weakened by the dismantling of Licorne-held observation posts on 1 August and 13 September 2007 respectively.

32. The recruitment by UNOCI of a customs consultant, as recommended by the Group in its previous reports, would enable the embargo cell to adopt a more targeted approach to embargo inspections at port and airport facilities. On 31 July 2007, following a meeting with the Acting Special Representative of the Secretary-General, the Group was informed that the recruitment process for such a consultant had begun.

33. The embargo cell is pursuing its training programme for police units, military observers and troops of the military contingents. This training module was initiated by the consultant on the arms embargo, whose contract expired on 18 May 2007.

34. In its report S/2007/349, the Group of Experts noted that the BIVAC scanner installed at the port of Abidjan has been in operation since March 2007. With the establishment of a team responsible for inspections at this port and with the help of the customs consultant, it should be possible to use this scanner to inspect containers targeted for embargo inspections. However, in order for it to be even more effective, the future members of this team should be trained in image reading.

35. The Group of Experts is of the view that neither the modus operandi established by the impartial forces and the Ivorian parties, nor the instruments available to UNOCI and Licorne for the monitoring of the implementation of the embargo on supplies of arms and related materiel, are very effective. Currently, advance notice is given for all inspections carried out by the impartial forces. The experts believe that from time to time random checks should be carried out.

36. On 3 September 2007, following his audience with the Group, the Director-General of Ivorian Customs, Col. Gnamien Konan, stated that UNOCI and Ivorian customs should draw up a cooperation agreement with a view to establishing a "specific monitoring unit" responsible for monitoring implementation of the embargo on military equipment. Such cooperation would ensure, in particular, that UNOCI had real-time access to information about deliveries of equipment.

V. Verification of the capacity of the Ivorian fleet

37. The Group continued its investigation into the use of the FANCI air fleet and flights that could constitute a threat to peace. It also monitored international air movements to Côte d'Ivoire and domestic flights.

38. As indicated in the previous report of the Group of Experts (S/2007/349), there have been no Mi-24 helicopter (registered as TU-VHO) flights since 26 October 2006. It became clear from the experts' inspections that no maintenance has been done on the aircraft since the previous mission. To determine whether it is airworthy, however, would require the opinion of an aeronavigability expert based on a thorough technical inspection of the aircraft.

39. In an interview with the Group of Experts, the second in command of the Côte d'Ivoire air force, Colonel Adou Bahiro Denis, reiterated that all the aircraft comprising the Ivorian fleet that are capable of flying are utilized for civilian purposes only. This is the case of the Antonov 12, which is often utilized to transport cargo and two Puma helicopters (model IAR-330) that transport the President of the Republic and his staff. According to the Colonel, owing to their technical characteristics, these aircraft cannot be equipped with weapons (particularly since they do not have the necessary stabilization systems to fully ensure their safe use).

40. Nonetheless, according to the information obtained in the past, a sighting system had been placed on one of these helicopters. This equipment is, for the time being, dismantled. Moreover, rocket pod mounting brackets that can be adjusted to this aircraft are available in the hangar where the Mi-24 is kept and have been observed in a number of embargo inspections conducted at the Abidjan Airbase. Other rockets used on the Mi-24 which could be used on this IAR-330 were observed by the Group at the Akouédo Camp and at San Pedro.

41. According to Colonel Adou, all the ammunition stored in the same hangar as the Mi-24 does not pose any danger, as it has supposedly been deactivated and the firing devices are stored separately. However, a report dated 27 February 2007, prepared by the UNOCI demining team that participated in the embargo inspection at the Abidjan Airbase, recommended that "in order to eliminate all risks of explosion, active rockets should be moved and deactivated (or destroyed) and ammunition should be evacuated to a regulated ammunition depot".

VI. Foreign technical assistance

42. Information pointing to the presence of three Slav technicians in Abidjan was received by the Group. These technicians were allegedly staying in Abidjan in late April/early May and late May/early June 2007. Two of the names provided to the experts, Mr. Feodosiy Kalovskiy and Mr. Sergiy Romanchuk, have already been mentioned in earlier reports (S/2006/964 and S/2006/735). The Group identified the third person (Mr. Niadziuzny) as being one of the members of the Antonov 12 crew. Nothing came of investigations into certain airlines and the Border Police Department of Côte d'Ivoire.

43. In the interview he gave to the Group, the FANCI second-in-command, Colonel Adou Bahiro Denis, repeated the version of the facts furnished to the

previous Group of Experts, namely, that the foreign technicians left Côte d'Ivoire at the end of 2006. Since that time, their presence at the Abidjan Airbase has never been detected.

44. In an interview in Abidjan on 28 August 2007, General Mangou, FANCI Chief of Staff, indicated that since the departure of these technicians towards the end of 2006, Côte d'Ivoire has not received foreign assistance. According to the General, since an order was issued to halt the Mi-24 helicopter overflight exercises, the presence of these technicians was no longer justified. In that same interview, General Mangou nonetheless expressed the view that the army is not yet in any position to provide experts with either a detailed list of the technicians present in Côte d'Ivoire in 2006 or any evidence to confirm their departure. He also suggested to the experts that they should contact the Ministry of Defence, as the armed forces could only stand to benefit from technical cooperation agreements negotiated by States.

45. At the working meeting with the Minster of Defence and his staff, held in Abidjan on 28 August 2007, the Ministry staff did not wish to answer questions about foreign technical cooperation provided to the Côte d'Ivoire national army. They denied having any knowledge of the situation prior to their entry on duty in the Ministry (March 2007) and said that to go back to issues that predated the signature of the Ouagadougou Agreement would run counter to the current peace process.

46. The Minister nonetheless authorized his staff to share any knowledge they had in their replies to the experts. To that end, he named a focal point, Colonel Major Kuié Nicolas, who is responsible for communicating to the Group the findings of verifications conducted in response to experts' concerns. Despite the transmission of a written detailed written request, containing, in particular, authorization to meet Mr. Kapylou (see report contained in document S/2007/349, para. 41), and the Group's insistence, this did not materialize. Although it had some information, the Group was unable to establish whether foreign technicians and instructors were in the territory of Côte d'Ivoire.

VII. Natural resources and management of Forces nouvelles

A. Coffee and cocoa sector

47. Unlike the Group's prior mandates, it was able to meet with representatives of three of the four quasi-Government agencies in the coffee and cocoa sector: the Coffee and Cocoa Regulatory Authority (ARCC), the Coffee and Cocoa Marketing Exchange (BCC) and the Financial Regulation Fund (FRC). These meetings were made possible through the efforts of His Excellency Ambassador of Côte d'Ivoire to the United Nations, Mr. Alcide Djedje. As a result, the experts gained a better understanding of the functioning of this sector.

48. These meetings, however, shed no light on how the parafiscal revenue collected by these agencies was utilized. According to the agency heads, such data can be provided only by officials in the Ministry of Economy and Finance.

49. The Group was nonetheless able to conduct investigations at three banks with branches in Côte d'Ivoire, where some of the accounts belonging to these agencies

are domiciled. Each one has several accounts in different banks; moreover, funds are frequently transferred from one bank to another while cash is only withdrawn occasionally, making it difficult to trace financial operations. However, the Group's analysis of bank movements produced no evidence of an immediate linkage between these transactions and military expenses.

50. Despite these difficulties, greater attention should be devoted to this area in future. To this end, the banking authorities of Côte d'Ivoire and of any other countries concerned would have to cooperate closely with the experts.

B. Hydrocarbons

51. The Group met with the Oil Committee (a body accountable to the Ministry of Mines and Energy) and some private actors in the hydrocarbon distribution sector. It was not possible for the Group to obtain information on the management of revenue from this sector, which is the source of the country's leading export (1,569 billion CFA francs in 2006) and accounts for 17 per cent of the gross domestic product.

52. The Group's efforts to obtain information from the Ministry of the Economy and Finance on the utilization of the levies and taxes generated by the coffee and cocoa and hydrocarbon sectors have been fruitless.

C. Financial management of Forces nouvelles

53. In its visits to Bouaké, the Group noted that, although redeployment of the Government administration is under way, Forces nouvelles continues to run the northern part of the country. Duties and taxes are collected according to a tax rate schedule. The Director-General of the Central gave no indication as to how this revenue is utilized and directed the Group to the National Secretary in charge of the Economy and Finance of Forces nouvelles, whom the experts could not manage to see.

VIII. Individual sanctions

A. Follow-up

54. In following up the verification of the financial assets of the persons targeted by Security Council sanctions, the experts reiterated their requests to the banks that had not responded during the Group's previous mandate, namely, two French banks, Banque de la Poste and BNP Paribas (Mr. Eugène N'Goran Djoué Kouadio admits to having had an account there), and a Burkina Faso bank, Société Générale des Banques du Burkina (SGBB) (where Mr. Martin Kouakou Fofié had an account). No response had been received by the time the Group's mission was ending. Experts therefore submitted another request for verification of any financial assets Mr. Charles Goudé Blé might have in the United Kingdom, where Mr. Goudé Blé was a student. Following this initiative, the Group was informed that the matter is currently under investigation.

B. Meetings with individuals subject to sanctions

55. The Group of Experts met with three individuals subject to individual sanctions in order to speak to them, hear their reactions and inform them of the procedures established by the Security Council concerning a request for the removal of individuals from the sanctions list (resolution 1730 (2006)).

56. Thus, the Group met with Mr. Kouadio in Abidjan on 10 August 2007, with Mr. Fofié in Bouaké on 5 September 2007 and with Mr. Blé in Abidjan on 7 September 2007. The three individuals said they are living off their close relatives or, depending on the circumstances, their organization. They feel they were unfairly targeted by the sanctions and said they do not wish to take any initiative to request their delisting, claiming that an explicit request to that effect is already contained in the Ouagadougou Agreement.

C. Direct and indirect assets

57. The Group tried to obtain information on other financial assets and economic resources under the direct or indirect control of these individuals by requesting, in particular, the cooperation of the Ivorian authorities. By the end of the mission, it had received no reply.

58. The Group was particularly interested in the royalties to be paid to Mr. Blé, the author of a book entitled "Ma part de vérité", which was sold in Côte d'Ivoire. The experts were able to obtain a copy of the contract signed between Société nouvelle de presse et d'édition de Côte d'Ivoire (SNEPCI), the State-owned publisher of the work, and Mr. Blé. According to this contract, the "author undertakes to bear the cost (50 per cent upon placing the order, 50 per cent upon delivery) of publishing and producing this work". Mr. Blé put about 7 million CFA francs towards the publication of the work. As stipulated in the contract, the royalties would amount to 65 per cent of gross sales. In this connection, a check for 11,244,316 CFA francs has already been remitted to Mr. Blé; this amount corresponds to sales in 2006 (see annex IV). Sales revenue for Mr. Blé's book came to about 15 million CFA francs for the period from 1 January to 1 September 2007.

59. In a meeting with the experts, the Director-General of SNEPCI confirmed that Mr. Blé had been given a check at a public ceremony held on 4 September 2007. Mr. Blé said that he intended to donate his 2006 royalties to disadvantaged youth under a project coordinated by an entity with which he claims to be closely associated.

60. The experts believe that the act of a State-owned entity publicly handing a check to a person targeted by Security Council sanctions is a violation of the provisions of paragraph 11 of resolution 1572 (2004).

IX. Embargo on diamond exports

61. The Group visited the Séguéla and Tortiya diamond mines. It also went to Ghana, Antwerp and Dubai.

62. In Abidjan, the experts met with some members of the Cabinet of the Minister of Mines and Energy, with whom they exchanged views on the implementation of the embargo on diamond exports and on possible export channels. In order to ascertain whether diamonds of Ivorian origin were being shipped to Mali, the Group focused its investigations on the diamond-mining area of Côte d'Ivoire with a view to identifying the individuals and networks that might be ferrying diamonds into Mali.

A. Principal diamond-mining sites in Côte d'Ivoire

63. While visiting the northern zone, the Group noted a strong resurgence in mining activities at the sites in Séguéla and the surrounding area and in Tortiya.

1. Séguéla and surrounding area

64. On a visit to Bobi on 14 August 2007, the Group met with the village chief at his home, where several envelopes containing weekly diamond production sheets were in full view. The experts also met with workers at the Bobi dyke site, where several hundred persons were at work. Continuous activity was also observed at another site about 2 kms from the Bobi dyke.

65. While visiting the Séguéla region, the experts met Mr. Aboudou Koné, who was identified by certain interlocutors as Mr. Siaka Coulibaly's representative in this area (see reports contained in documents S/2006/735, S/2006/964 and S/2007/349), Mr. Sékou Sidibé (see reports contained in documents S/2006/735, S/2006/964 and S/2007/349) and brothers Ali and Daouda Diallo, friends of Mr. Coulibaly's family, who maintained that they "only knew about the diamond business".

66. When the allegations against him were set before him, Mr. Koné said that he no longer had any business dealings with Mr. Coulibaly, even though he acknowledged meeting him on all his trips to Bamako.

67. The Diallo brothers, whom the experts met in their office where a lamp for the examination and assessment of diamonds was lit, also said that they go to Mali every month. They said that on those trips, they see Mr. Coulibaly, who is apparently a friend of theirs.

68. When the experts met with Mr. Sidibé, he claimed yet again that he was no longer a diamond dealer; as proof, he showed experts a document authorizing him to purchase cashew nuts, which had been issued to him by the Central (Forces nouvelles management body).

2. Tortiya

69. On 2 September 2007 the Group visited the village of Tortiya, where it found nearly 100 people engaged in production activity. During their visit, the experts had the opportunity to see a quantity of diamonds that had just been mined.

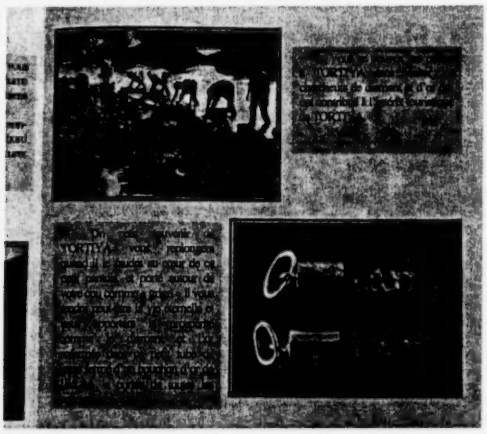
70. During their stay in this locality, the experts met with Mr. Djadje, who is allegedly, according to a number of village residents, the representative of Mr. Sékou Sidibé and one of the major diamond collectors present in the locality.

71. The experts also interviewed Mr. Marius Sauvage, the owner of the "La Paillote" hotel and a former miner who had worked for the Watson and SODEMI companies. Notices hung on the doors of all the rooms in the hotel, as well as the hotel brochure, indicate that Mr. Sauvage is not only a hotelier but also a diamond dealer.

72. The experts found another dealer, Mr. Mohamed Fawaz, in the act of dealing diamonds. Questioned by the experts, he acknowledged that he financed diamond mining activities in Tortiya and sold the output only on the local market; as evidence of his activities, Mr. Fawaz gave the Group three small diamonds valued at about 15,000 CFA francs.

Photo 2

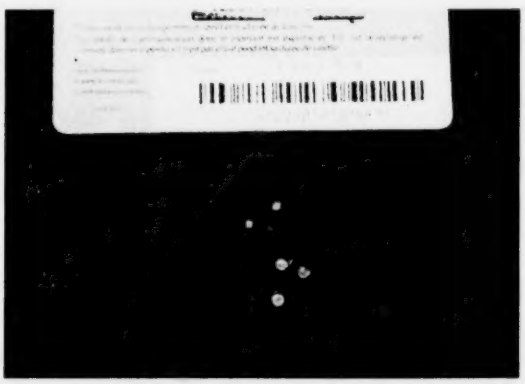
Detail of the brochure for the "La Paillote" hotel in Tortiya. Among the souvenirs offered are small glass vials with gold stoppers, containing local diamonds.



73. According to the President of the Association of Diamond Dealers of Tortiya, there are 15 main buyers in Tortiya who finance all artisanal mining activity in the region. According to him, these individuals buy and sell locally. The President also provided the Group with two small stones valued at approximately 5,000 CFA francs.

Photo 3

The five stones received by the experts in Tortiya. The telephone card in the photo gives an indication of the size of these diamonds.



74. The experts turned the five diamonds over to UNOCI on 20 September 2007 at a meeting in Abidjan with the Deputy Special Representative of the Secretary-General.

75. All the individuals interviewed in Séguéla and Tortiya unanimously acknowledged that most of the diamonds mined in Côte d'Ivoire are sent to Mali, but did not give details on the identity of the exporters or buyers. The Group was unable to pursue investigations in this direction owing to the limited duration of its mandate.

B. Neighbouring countries: Ghana

76. The Group visited Ghana to ascertain the measures taken by that country pursuant to Security Council resolution 1643 (2005) on Côte d'Ivoire and to gauge the progress made in implementing the recommendations of the Kimberley Process review mission, in which the Group participated as an observer from 26 to 30 March 2007.

77. During their stay, the Group members met with the chief governmental and private stakeholders involved in diamond production and trading. They also visited the Akwatia mining region, where they met with dealers. It became apparent from this visit that Ghana has made remarkable efforts that have enhanced the credibility of its internal control system and its diamond import/export regime. In time, this should help to curb fraud and cross-border smuggling.

C. Trading centres: Antwerp and Dubai

78. On 23 and 24 July 2007 the Group visited Belgium, where it met with representatives of the World Diamond Council and of the Kimberley Process secretariat, among others, to discuss issues concerning diamond activity in Côte d'Ivoire and illegal diamond exports to major markets.

79. The experts visited the United Arab Emirates from 7 to 13 September 2007. During their visit they interviewed the authorities of the Dubai Diamond Exchange, with whom they raised issues concerning the internal control system in force in that country and the import/export regime, as well as statistics on external trade in diamonds. In addition, they visited one of the largest of the eight diamond-cutting facilities in Dubai, that of International Diamond Laboratories, and the jeweller Lindi Oro. According to its Director-General, the supply channels used are subject to rigorous controls and do not allow the infiltration of diamonds from conflict areas. Any such infiltration could hurt their global reputation, which is their main selling point.

80. With respect to the possibility that the United Arab Emirates market could be infiltrated by uncertified diamonds of African origin, which was raised in the Group's preceding report (S/2007/349, para. 123), the Group pursued its investigations but was unable, for the moment, to obtain conclusive results. Nonetheless, the authorities of the Dubai Diamond Exchange acknowledged that the transactions at Gold Land (a gold and diamond shopping centre) are extremely fluid and hard to monitor, and said that they would remain mindful of the danger this represents.

X. Recommendations

81. In addition to the recommendations set out below, the Group believes that those contained in its preceding report (S/2007/349) remain valid.

A. Arms

82. The Group recommends that UNOCI physically inspect the law enforcement equipment purchased by the National Police from Imperial Armour.

83. While acknowledging the law enforcement equipment needs of the National Police, the experts wish to remind the Ivorian authorities that they must abide by the exemption procedures established by the United Nations.

84. With a view to more effective monitoring of the arms embargo, the Group recommends that UNOCI require the armed forces (Defence and Security Forces of Côte d'Ivoire and Defence and Security Forces of the Forces nouvelles) to provide it with an inventory of all the arms in their possession and, to the extent possible, with identifying information for each weapon.

85. The experts recommend that Ivorian stakeholders and the international community make every effort to implement programmes to disarm combatants and dismantle militias, as provided for, inter alia, in the agreement reached in March 2007 on direct dialogue between the Ivorian parties. These programmes would effectively limit the emergence of obstacles to the ongoing peace process and would help to create a more favourable security climate.

B. Monitoring of the embargo

86. Given the persistence of hindrances to embargo inspections, the Group deems it necessary to remind the two parties' military authorities (those of FANCI and FAFN) that the impartial forces cannot fulfil their monitoring mandate without these authorities' cooperation. This recommendation applies in particular to Republican Guard units.

87. The experts also call upon the Sanctions Committee to urge the civilian authorities of Côte d'Ivoire to cooperate more fully with the Group of Experts to enable it to discharge its mandate, especially with regard to the exchange of information and documentation.

88. To ensure better follow-up to its monitoring activities, the Group recommends that UNOCI provide its embargo cell with sufficient human resources, taking into account the frequent rotation of the Operation's personnel.

C. Individual sanctions

89. The Group recommends that the Ivorian authorities freeze any funds representing royalties belonging to Mr. Charles Blé Goudé, pursuant to the provisions of resolution 1572 (2004).

D. Diamonds

90. The Group calls upon the authorities of all the countries bordering Côte d'Ivoire to strengthen their internal controls over the production, certification and export of diamonds.

91. The experts also call upon the Ivorian authorities to take all appropriate measures to prevent the export of Ivorian diamonds and to strengthen border inspections.

E. General recommendations

92. The experts request the Committee established pursuant to resolution 1572 (2004) to remind all the States concerned, particularly those of the West African subregion, of their obligation to report to the Committee on the actions they have taken to implement the sanctions imposed on Côte d'Ivoire, in accordance with paragraph 14 (b) and (f) and paragraph 15 of resolution 1572 (2004).

93. The Group calls upon those Member States and public and private institutions that have not always responded to its information requests to transmit their replies as soon as possible.

94. The experts believe it is important to ensure broad awareness, in Côte d'Ivoire and in neighbouring countries, of the scope of Security Council decisions on the sanctions regime applicable to Côte d'Ivoire. This will help to reduce misunderstandings and diverging interpretations.

Annex I

Meetings and consultations

Belgium

Government

Ministry of Foreign Affairs

Multilateral agencies

Kimberley Process secretariat (provided by the European Union); World Diamond Council.

Bulgaria

Government

Interdepartmental Commission on Export Control and Non-Proliferation of Weapons of Mass Destruction; Directorate-General for Customs; National Police hazardous goods monitoring office.

Côte d'Ivoire

Government

Oil Committee; Force aérienne de Côte d'Ivoire (FACI) command; National Police Headquarters; Customs Administration; Chief of Staff of the Ivorian armed forces; Ministry of Defence; Ministry of Mines and Energy; Ministry of Security and Internal Affairs; Société nouvelle de presse et d'édition de Cote d'Ivoire (SNEPCI); management section of the Société d'Exploitation et de Développement Aéroportuaire, Aéronautique et Météorologique (Airport, Aeronautical and Meteorological Management and Development Corporation — SODEXAM).

Forces nouvelles

Chief of staff of the armed forces of the Forces nouvelles and office of the Forces nouvelles secretary-general.

Diplomatic missions

Embassy of France; Office of the Permanent Representative of the European Union.

Private sector

Air France; Coffee and Cocoa Regulatory Authority (ARCC); Bank of Africa; Banque nationale d'investissement (BNI); Coffee and Cocoa Marketing Exchange (BCC); Emirates; Ethiopian Airlines; Financial Regulation Fund (FRC); Groupement Professionnel des Exporteurs de Café et de Cacao (Coffee and Cocoa Exporters Group — GEPEX); Nestlé; Oryx Gaz; Petro Ivoire; Société générale de banque, Côte d'Ivoire (SGBCI); Shell-CI; Total.

Multilateral agencies

World Bank; Licorne forces; United Nations Operation in Côte d'Ivoire (UNOCI); office of the Agency for the Safety of Air Navigation in Africa and Madagascar.

Civil society

Publiez ce que vous payez (NGO).

Individuals

Charles Goudé Blé
Eugène N'Goran Djoué Kouadio
Martin Kouakou Fofié

United Arab Emirates

Government

Dubai Diamond Exchange

Private sector

Gold Land; Lindi Oro; International Diamond Laboratories.

France

Government

Ministry of Foreign Affairs

Ghana

Government

Ghana Customs and Excise; Ghana Consolidated Diamonds (GCD); Ministry of Foreign Affairs; Ministry of Lands, Forestry and Mines; Precious Minerals Marketing Co. (PMMC).

Private sector

B.C.B. International; Beatrice Diamonds; Complex Diamonds; Peri Diamonds.

Multilateral agencies

United Nations Development Programme (UNDP)

Togo

Multilateral agencies

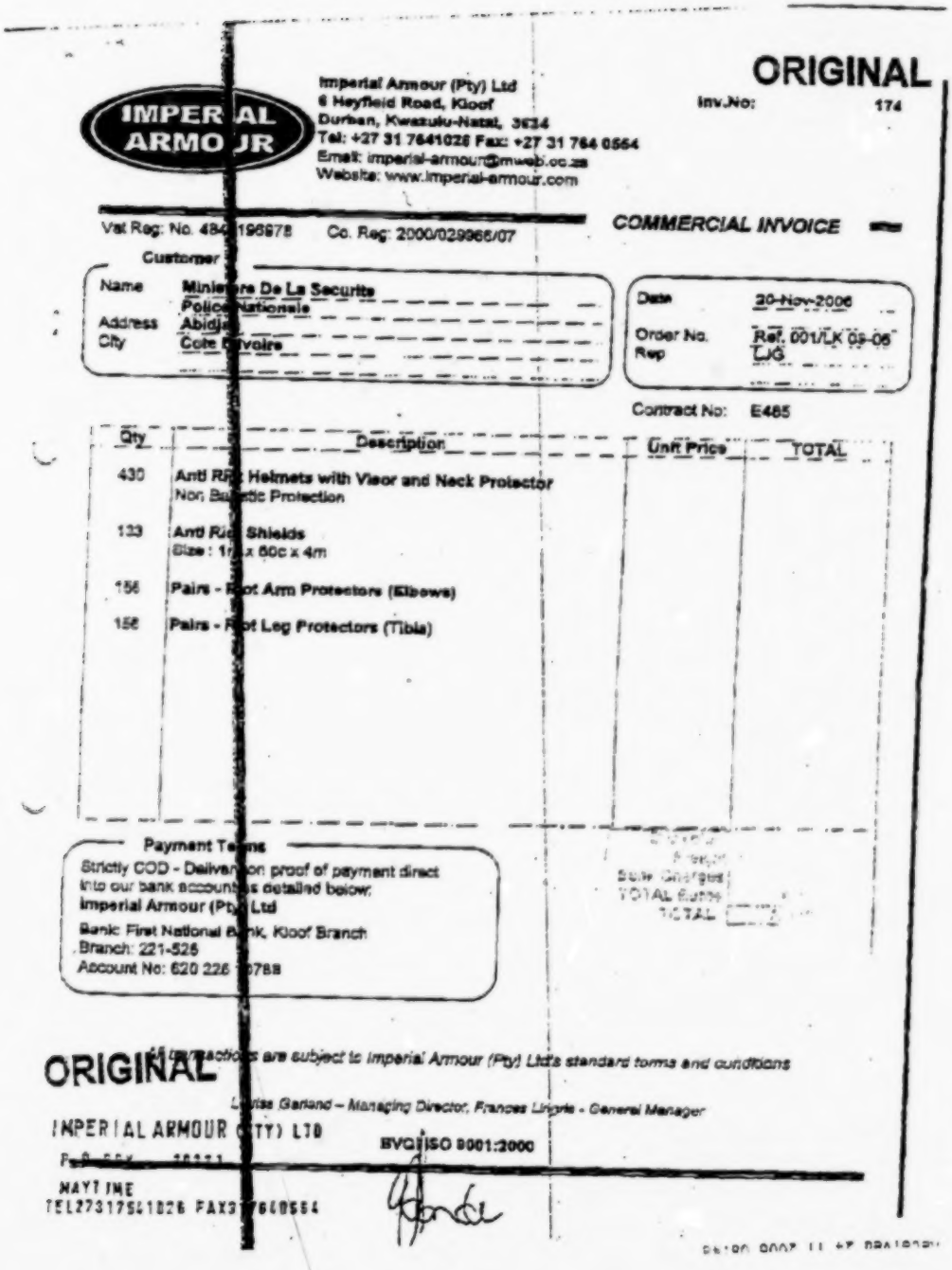
UNDP

Private sector

Africa West Cargo

Annex II

[Original: English]



ORIGINAL

IMPERIAL ARMOUR

Imperial Armour (Pty) Ltd
6 Heyfield Road, Kloof
Durban, Kwazulu-Natal, 3634
Tel: +27 31 7641026 Fax: +27 31 764 0564
Email: imperial-armour@mweb.co.za
Website: www.imperial-armour.com

Inv.No: 174

Vat Reg: No. 484 196878 Co. Reg: 2000/029966/07

COMMERCIAL INVOICE

Customer

Name: Ministère De La Securite
Police Nationale
Address: Abidjan
City: Cote D'Ivoire

Date: 20-Nov-2006
Order No. Ref. 001/LK 09-06
Rep: LJG

Contract No: E485

Qty	Description	Unit Price	TOTAL
430	Anti Riot Helmets with Visor and Neck Protector Non Ballistic Protection		
133	Anti Riot Shields Size : 1m x 60c x 4m		
156	Pairs - Riot Arm Protectors (Elbows)		
156	Pairs - Riot Leg Protectors (Tibia)		

Payment Terms

Strictly COD - Delivery on proof of payment direct into our bank account as detailed below:
Imperial Armour (Pty) Ltd
Bank: First National Bank, Kloof Branch
Branch: 221-526
Account No: 620 226 [illegible]788

Sub Total
Sales Charges
TOTAL Euros
TOTAL

All transactions are subject to Imperial Armour (Pty) Ltd's standard terms and conditions

Louise Garland – Managing Director, Frances Lingris - General Manager

IMPERIAL ARMOUR (PTY) LTD
BVQI ISO 9001:2000

MAYTIME
TEL27317641026 FAX27764[illegible]

Annex III

[Original: French]

161935Z

MESSAGE

FM: CEMA/CPCO (Operations Planning and Monitoring Centre)

TO: UNOCI/UNOCI embargo cell

INFO: MINIDEF (ATCR)-CEMA (ATCR) - COSUP GEND-GR-PCIAT

LICORNE

BT

UNPROTECTED

URGENT

No. 27[digit illegible]9/EMA/CPCO/COND date 16/09/07

SUBJECT: UNOCI INSPECTIONS OF THE REPUBLICAN GUARD

TXT:

1. By fax of 15 September 2007, the UNOCI embargo cell scheduled an inspection of the Abidjan Republican Guard units for Monday, 17 September 2007, at 1000 hours.

2. You are reminded that until further notice the presidential compound is not covered by such inspections.

BT

(*Signed*) Lt. Colonel **Kokou**

Annex IV

[Original: French]

Extract of page 1 of contract

Fraternité Matin SNPECI

CONTRACT FOR PUBLICATION AT THE AUTHOR'S EXPENSE

Between the undersigned:

SNPECI, a State company with capital amounting to 175,000,000 CFA francs, located at Boulevard Général de Gaulle, 01 P.O. Box 1807, Abidjan 01, tel. 20 370 666, duly represented by its chief executive officer Mr. Honorat DE YEDAGNE,

party of the first part,

and

Charles Blé Goudé, 23 P.O. Box Abidjan 23, tel.

Hereinafter referred to as "the author",

party of the second part.

Extract of article 3 (page 2 of contract)

Article 3 Author's obligations

The author undertakes to bear the cost of publishing and producing this work (50 per cent on placing the order, 50 per cent on delivery).

The sizes, presentation and sale price of the volumes shall be established jointly by the two parties, taking into account their common interest.

Extract of article 5 (page 3 of contract)

Article 5 Publisher's remuneration

4.1. *Rates*

The author undertakes to pay the publisher 35 per cent of gross sales for the purpose of promoting and marketing the work.

Extract of article 9 (page 4 of contract)

Article 9 Accounts

The accounts for the total royalties payable to the author shall be finalized on 31 December of each year. The royalties shall be paid to him at his request, within three months of the finalization of the accounts. The publisher shall supply the author simultaneously with a statement of account and an inventory of the number of copies in stock. The inventory shall also indicate the number of copies sold by the publisher, the number of unusable copies withdrawn from commercial distribution and the number of copies which were destroyed, were damaged or disappeared, as provided for in article 5 of this contract.

Extract of page 5 of contract

Done in Abidjan on 14 June 2006,
in two originals

THE PUBLISHER

(*Signed*) Honoré **Dé Yadagne**

THE AUTHOR

(*Signed*) Charles Blé **Goudé**

United Nations S/2007/612

Security Council

Distr.: General
18 October 2007

Original: English

Report of the Secretary-General on the request of Nepal for United Nations assistance in support of its peace process

I. Introduction

1. The present report is submitted pursuant to Security Council resolution 1740 (2007), in which the Council established the United Nations Mission in Nepal (UNMIN) in response to the request of the Government of Nepal and the Communist Party of Nepal (Maoist), or CPN(M), for United Nations support for the peace process. UNMIN was established as a special political mission with a mandate to monitor the management of arms and armed personnel of CPN(M) and the Nepal Army, assist in monitoring ceasefire arrangements, provide technical support for the conduct of the election of a Constituent Assembly in a free and fair atmosphere and provide a small team of electoral monitors.

2. The report reviews the progress of the peace process and the implementation of the mandate of UNMIN since my previous report to the Council of 18 July 2007 (S/2007/442). It further takes stock of the challenges facing Nepal in its efforts to consolidate peace and embark on its historic transition.

II. Progress of the peace process

3. Since my last report to the Council, a number of important political developments have occurred in Nepal. Remaining electoral legislation has been enacted, significant agreements were reached with marginalized groups, and the Election Commission made the necessary technical preparations to hold the election on the agreed date of 22 November. However, doubts about a November poll for the Constituent Assembly persisted for a combination of reasons. Chief among these are the lack of unity and political consensus among the eight parties that formed the interim Government on 1 April 2007 and continued difficulties in effectively implementing commitments made in the different agreements to date. In addition, persisting disaffection among marginalized communities about their exclusion from the political process and State structures, despite two agreements reached with the Madhesi People's Rights Forum (MPRF) and with the Nepal Federation of Indigenous Nationalities (NEFIN), as well as the activities of armed groups and communal violence in the country's southern plains, the Terai region, have contributed significantly to the uncertainty. On 5 October, amidst a dispute between CPN(M) and the other parties over the electoral system and the declaration of a

07-54789 (E) 221007

republic (discussed below), a collective decision was taken to reschedule the 22 November election. A new election date had yet to be fixed.

4. The second phase of registration of CPN(M) personnel in the cantonments continued after some initial disruption. This involves verification of the age and date of recruitment of those registered at the first stage in order to establish whether they have met the two criteria of eligibility as combatants, namely whether they were born before 25 May 1988 and whether they were recruited before 25 May 2006. As previously reported, the verification process started on 19 June at the first main cantonment site of the Maoists in Ilam in the east, and was completed at that site by 26 June. But before that process could begin at another cantonment site, the Maoists raised a number of substantive and procedural concerns.

5. The Maoists sought to link continuation of the verification process to other issues they deemed significant, including the need for major improvement of conditions in the cantonment sites; the payment of agreed monthly government allowances to Maoist personnel in cantonments; and the start of discussions on the future of the Maoist army and the Nepal Army, emphasizing their demand for the formation of a new national force made up of elements from both. My Special Representative made clear that verification was an obligation under the agreement on monitoring the management of arms and armies between the previous Seven-Party Alliance government and the Maoists, and UNMIN could not accept any preconditions for the continuation of verification.

6. After a period of delay, and with the Government showing a greater degree of flexibility in addressing some of the key concerns of the Maoists, the Maoists agreed to the resumption of verification. However, UNMIN was able to resume the process of verification at the second main cantonment site, in Sindhuli, only in mid-August, following the meeting of the expanded central committee of CPN(M) early in August. The process has since continued with satisfactory cooperation. Verification has now been completed in Ilam, Sindhuli, Surkhet and Kailali, with three further sites to follow.

7. Despite this progress, UNMIN continues to have concerns about several issues related to the cantonment of the Maoist army, the main one of which is the manner and timing of the discharge of the Maoist personnel determined to be ineligible under the determined criteria, in particular, those who were minors at the relevant date. The Maoist leadership states that it is committed in principle to moving forward with discharge but requires Government agreement on the payment of allowances to personnel who have been in cantonments. UNMIN has repeatedly pressed the parties to resolve this issue, and has insisted that both the Government and the Maoists should treat the discharge of minors and others ineligible as an urgent priority. In addition, an unmanaged discharge of large numbers of personnel from the cantonments could create serious social problems. It is hoped that the Cabinet decision of 8 October to release a partial payment of the allowances will lead to positive movement on this matter. Cantonment conditions remain a major concern, both at present and in the longer term for those who will remain in cantonments after the verification and discharge process.

8. The overall political climate and management of the peace process have become more complicated during this period. The unity of the eight parties came under a severe test largely as a result of their failure to fully implement agreements, including among others, on the fulfilment of responsibilities towards cantoned

Maoist personnel and the return of properties seized during the 10-year conflict. There is also a deeper gulf of perspective regarding the extent and breadth of the political, social and economic changes the country should undergo, as well as regarding the future of the Maoist combatants and the country's security sector. Difficulties in reaching decisions by consensus among the eight parties inside and outside the interim Government and intra-party divisions have contributed to the recent political dissension.

9. The fifth expanded central committee meeting (plenum) of CPN(M), held in Kathmandu from 3 to 9 August, brought a major shift in policy towards a tougher line in the relations of CPN(M) with its major partners and an effort to reach out and rebuild relations and alliances with traditionally marginalized groups and smaller like-minded parties. The plenum's major decisions included calling for a round-table conference among all parties and groups to agree upon a fully proportional representation electoral system, as demanded by traditionally marginalized groups, and to demand the declaration of a republic by the interim legislature-parliament before the election of the Constituent Assembly. Both positions contradicted the earlier endorsement by the eight parties of a mixed electoral system, and decision that the first session of the future Constituent Assembly should determine the fate of the monarchy and the issue of a republic. These major shifts are explained by Maoist leaders as a consequence of the changed political circumstances following the postponement of the ballot from June to November, particularly what they consider to be the resurgence of "regressive" monarchist forces bent on undermining the peace process.

10. The Maoists articulated their new demands, as well as calls for the Government to implement a number of agreements reached earlier in the peace process, with a set of 22 points they deemed as "necessary conditions" for the election of the Constituent Assembly to take place. Many analysts suggest that these major demands so close to the election date reflected significant concerns by the Maoists about their electoral prospects and about the willingness of the government of which they were a part to implement major parts of the Comprehensive Peace Agreement. The Maoists have insisted that the peace process now required a "new political compact" to move forward. The Maoists warned that they would quit the Eight-Party Alliance government and wage street protests if the demands were not met by 18 September.

11. The new position of the Maoists was to a significant extent a response to the criticism reported to have been levelled during the plenum against the leadership for allegedly having gone too far in making concessions to the other parties, in particular to the Nepali Congress. This represented a more assertive posture, threatening to move the party away from the Eight-Party Alliance and aiming to regain political partnerships and support among indigenous and marginalized social groups, including in the Terai. The new Maoist stance also likely reflects considerable frustration from the Maoist army about long delays in delivering compensation and adequate cantonment conditions.

12. Meanwhile, the Eight-Party Alliance government continued to face significant hurdles. The demand from traditionally marginalized groups for guarantees of greater representation in the Constituent Assembly and in State structures and national politics continued to intensify. Aiming to address some of these concerns, the Eight-Party Alliance government on 7 August signed a 20-point agreement with

Janajati umbrella groups, NEFIN and the Indigenous Nationalities Joint Struggle Committee. The Janajati groups had long demanded a fully proportional representation electoral system, and had announced a boycott of the Constituent Assembly if their demands were not met. Although the agreement maintains a mixed first-past-the-post and proportional electoral system, the Government committed to ensuring representation for smaller indigenous communities who would otherwise not be represented in the Constituent Assembly, as well as to forming a State restructuring committee and a Janajati commission. A number of Janajati groups have maintained serious reservations about the agreement, and NEFIN has demanded its more rapid implementation.

13. A government negotiating team also signed a 22-point agreement on 30 August with MPRF, a group that originally spearheaded the Madhesi movement. However, the agreement quickly attracted intense criticism from some quarters within MPRF, who objected in particular to the fact that a fully proportional electoral system had not been adopted. Following the postponement of the 22 November election, the MPRF leadership repudiated the agreement and vowed to pursue its agitation for a fully proportional electoral system.

14. Violence by the Jantantrik Terai Mukti Morcha (JTMM) factions and other armed groups continued in the Terai, where Maoist cadres have been a particular target of assassinations. Terai-wide and more localized strikes have been enforced by MPRF dissidents, at times supported by one or more of the armed groups, shutting down large parts of the Terai. If renewed efforts are not made to reach out to the various groups that have emerged in the Terai, radicalization and confrontation may again increase, jeopardizing a future election and public security in general.

15. The absence of significant progress in carrying forward a broad process of dialogue at an earlier stage has contributed to the proliferation of political and criminal organizations in the Terai. The increasing complexity and confusion in the Terai has in turn made the search for a solution more difficult.

16. In September, the situation in the Terai took an even more ominous turn with an outbreak of communal violence in parts of Kapilvastu district in the central region. This was sparked by the assassination of a local Muslim landowner, former vigilante leader and political activist, and threatened to take on a Hindu-Muslim as well as Madhesi-Pahadi character. The violence that followed left at least 14 verified dead and resulted in significant destruction of property and looting, as well as the displacement of thousands of people. As in several other situations, State law enforcement was extremely slow and largely ineffective in responding to the situation.

17. Some reports indicate that up to 70 per cent of rural areas in the Terai are without the presence of public officials because of the armed conflict, suggesting that efforts to normalize conditions through the redeployment of police and local officials have had limited effect. Throughout the country, efforts to manage conflicts and promote public security at the district level by officials, political parties and civil society actors vary, but they have generally lacked support of the central Government on core security and governance issues and are yet to have impact.

18. The risks posed by spoilers to the peace process was made apparent on 2 September, when three bomb blasts occurred in Kathmandu, killing three and

wounding more than two dozen others. The improvised explosive devices were placed at public transport facilities. On 30 September the Nepal Police announced the arrest of four individuals who they asserted were affiliated with the Terai Army, a small Madhesi insurgent group, which was one of several groups that claimed responsibility for the attacks.

19. On 18 September, the four Maoist ministers in the interim Government tendered their resignation to the Prime Minister following the failure of the Maoists and the other seven parties in the Government to reach an accommodation on the Maoists 22-point demands. The Maoist Members of Parliament did not resign.

20. On 25 September, following protracted negotiations, Prime Minister Girija Prasad Koirala's Nepali Congress (NC) party and the Nepali Congress (Democratic), which broke away from NC in 2002, reunified. This has strengthened the party's standing as the largest in the interim Parliament. The reunified NC adopted a federal, republican platform, marking a historic shift in that party's approach to the monarchy and governance as a whole.

21. In late September and early October, the Maoists and the Government engaged in intense negotiations in an effort to resolve the escalating tensions surrounding the political impasse. The Maoists continued to push for the declaration of a republic before the election of the Constituent Assembly and the adoption of a fully proportional electoral system for the election, despite having earlier agreed to the interim Constitution by which a mixed electoral system was adopted and which provided that the fate of the monarchy should be determined by the first session of the Constituent Assembly once seated.

22. The period since the withdrawal of the Maoists from the interim Government has been marked by increasingly intemperate threats and protests by their activists. The Maoists indicated that they would take direct action to obstruct the election from moving forward if their demands were not met. Their protests have included threats and intimidation of Nepalese civil society conducting voter and civic education.

23. On 30 September, at the formal request of the Government, the Election Commission agreed to extend the deadline for the submission of candidate lists in order to allow more time for a political compromise to be reached. The deadline for the proportional lists was extended from 30 September to 5 October and the first-past-the-post deadline from 5 October to 8 October. Despite the extension, the parties were unable to resolve their differences by 5 October. As a result, the leaders of the seven parties agreed on 5 October to defer the Constituent Assembly election scheduled for 22 November. The Cabinet took a formal decision and the Election Commission suspended the electoral calendar. No new date has been proposed for the election. At the request of the Maoists, a special session of the interim legislature-parliament was convened on 11 October to consider the issues of declaring a republic and adopting a fully proportional electoral system. The session, however, was suspended and postponed by at least 10 days.

24. From a technical perspective, preparations for the election had been proceeding in a timely manner without major problems. Nepal's Election Commission has throughout demonstrated a high degree of independence and professionalism. Its unanimously recognized integrity and competence is a vital national asset for the future.

III. Status of the United Nations Mission in Nepal

25. In my last report, I noted the challenges of operationalizing rapidly a mission that is both of limited duration and of considerable scale. Since then, notable progress has been made. All of the five UNMIN regional offices, in Dhangadi, Nepalgunj, Pokhara, Kathmandu, and Biratnagar, are operational, with some procurement still under way. As at 30 September, 881 of the planned 1,073 personnel are in their posts, and more staff are deployed in regions and districts than at headquarters. Where recruitment has been delayed, as for example in the selection of heads of regional offices, UNMIN put in place interim management arrangements until their arrival.

26. Of the 699 civilian staff, 191 — 27 per cent — are female. A more detailed breakdown shows that among substantive staff, 36 per cent are female, while among administrative staff, 18 per cent are female. Among arms monitors, only 12 are female, despite efforts to encourage Member States to nominate women candidates.

27. UNMIN has placed particular emphasis on recruiting national staff from among traditionally marginalized groups in order for the Mission to better reflect the diversity of Nepal. The Mission hosted regional outreach workshops and conducted targeted searches for particular positions as part of this effort. As at 30 September, this strategy has resulted in 156 — or 47 per cent — out of 326 national staff coming from traditionally marginalized groups.

28. Negotiations with the Government of Nepal on a status-of-mission agreement are near conclusion, after extensive and constructive discussion. I am grateful to the Government of Nepal for its cooperation and support.

IV. Activities of the United Nations Mission in Nepal

A. Arms monitoring

29. The monitoring of arms has continued around the clock at all weapons storage areas in the seven Maoist army main cantonment sites and at the designated Nepal Army site. The arrival of 28 retired military arms monitors during the summer has brought the Arms Monitoring Office to its full strength of 186, and there are now 5 fully established sectors, each with headquarters under a senior sector commander.

30. UNMIN sector commanders have developed comprehensive liaison arrangements with local Maoist and Nepal Army commanders, and arms monitors continue to patrol, in addition to the main cantonment sites, Maoist satellite cantonment sites and Nepal Army barracks. Arms monitoring operations also incorporate visits to villages, local government officials, civil society organizations, and United Nations field locations, having established close cooperation, information-sharing, and coordination of common activity with this wider network of actors.

31. As described in my previous report, UNMIN arms monitoring operations now make extensive use of 10 joint monitoring teams, each comprised of one United Nations monitor, one Nepal Army monitor and one Maoist army monitor. The joint monitoring teams encourage early and cooperative resolution of local disputes before they reach higher levels and enable a rapid response to incidents requiring

investigation. As at 30 September, 56 investigations have been conducted, with findings submitted to the Joint Monitoring Coordinating Committee for final resolution. The Committee, chaired by UNMIN Chief Arms Monitor, continues to meet regularly and has proved to be an extremely valuable forum for solving problems and for maintaining mutual confidence and constructive relations, even when difficulties are encountered.

32. As anticipated, a major challenge during this period has been heavy monsoon rains, which, along with other factors noted earlier, have rendered living and working conditions at all sites extremely difficult. Contingency planning for the onset of the monsoon helped offset some of these challenges for arms monitors on site. Living conditions for the cantoned Maoist personnel, including accommodation and health facilities, remain on the whole difficult and still require major improvement.

33. Despite monsoon-related challenges and initial delay, the second phase of Maoist army verification and registration is now progressing well. Early disagreement between the Maoist army and UNMIN over verification results was successfully overcome, without compromising full adherence to the criteria set out in the agreement on monitoring the management of arms and armies. Verification has been completed at four of the seven main cantonment sites. Continued progress will remain heavily dependent on sustained cooperation of the Maoist army.

B. Mine action

34. The UNMIN Mine Action Unit, through the services of ArmorGroup, continued to monitor the storage of improvised explosive devices and prepare for the destruction of agr d items. The audit of all stored items in the seven main Maoist cantonment sites verified a total of 6,789 kg of net explosive content, 97.5 per cent of which have been categorized as unsafe to store (category 1). In total, there were in excess of 52,000 explosive remnants of war, including more than 18,000 fragmentation devices.

35. On 4 July, the Joint Monitoring Coordinating Committee approved the list of items to be destroyed, allowing the Mine Action Unit to initiate this work. As a result of seasonal weather interruptions and lack of cooperation from local Maoist army commanders, however, progress has been limited, and no destruction of items was possible through July or August. In early September, a new agreement was reached with Maoist commanders, which allowed the first demolitions to take place on 7 September at main cantonment site 1. Subsequently, all unsafe items have been destroyed at main cantonment site 2, while partial destruction of items was achieved at main cantonment site 3. As of 30 September, plans were in place to complete the destruction of all unsafe items at main cantonment site 4 and main cantonment site 5 by mid-October.

36. The Mine Action Unit has also been providing demining training to the Nepal Army to assist in the fulfilment of their obligations under the Comprehensive Peace Agreement. Five Nepal Army members were also sent to the Mine Action Coordination Centre in southern Lebanon for three weeks starting in late July to study operational and technical components of the Lebanon programme that could be applied to Nepal.

37. As noted in my last report, following recommendation from UNMIN, a Cabinet decision was taken to establish a Nepal Mine Action Authority under the Ministry for Peace and Reconstruction. The Authority consists of an inter-ministerial steering committee responsible for policy and strategic guidance and a technical committee responsible for implementation, both with Maoist representation. The Mine Action Unit also participates in the steering committee. Nepal's longer-term requirements and the shape of future United Nations assistance to mine action in Nepal are expected to be clarified through an inter-agency assessment mission in the autumn.

C. Electoral support

38. The UNMIN Electoral Assistance Office has provided electoral advice and assistance to the Election Commission at national, regional and local levels. The implementation of a countrywide field presence has been strengthened by the arrival of a Deputy Chief Electoral Adviser, an External Projects Adviser, and an Information Officer.

39. Since my last report, the Office contributed to the work of the Election Commission leading to the adoption of an electoral code of conduct and advised on candidate nomination and selection procedures to meet the requirements of the complex quota system of the electoral legislation. Electoral advisers worked to help develop a wide array of training materials for voter education and advised on ballot design and printing, plans for the delivery of election materials, counting procedures, and computer applications to support electoral management. Electoral advisers are also providing assistance to the establishment of a national media centre, an election observation liaison unit, and a media monitoring programme. The composition of the electoral advisory team is currently being reviewed in consultation with the Election Commission following the decision to postpone the election.

40. The first, pre-monsoon, phase of deployment of United Nations Volunteers (UNVs) was completed according to plan late in July, with 45 international and 24 national Volunteers taking up positions as district electoral advisers. Based in 28 districts, from which they cover an additional 31 districts, the district advisers have worked closely with Election Commission district electoral officers on all aspects of election planning and management. The second, post-monsoon phase, of deployment was staggered with 36 international and 19 national UNVs deployed in late September. The final contingent of 45 international UNVs was due to join the Mission in early October, completing the deployment to cover all districts, but has been suspended, given the postponement of the election.

41. The Electoral Expert Monitoring Team, headed by Rafael López-Pintor, an independent body that reports to the Secretary-General on the preparations and conduct of the Constituent Assembly election, carried out its second monitoring assessment in Nepal from 27 July to 6 August. This visit focused on four areas of electoral preparation: the security environment, development of a legal framework, electoral administration, and public opinion and the media environment, with special reference to the views among traditionally marginalized communities and women. The team submitted its second report, which was conveyed to the

Government of Nepal and the Election Commission on 23 August. The team made its third visit from 27 September to 8 October.

42. The UNMIN Police Advisory Section began its work with the arrival of the senior police adviser and four police advisers late in August. Two more advisers have been recruited and are on travel status and one is under recruitment, which will complete a team of eight, with three staff posted at UNMIN headquarters and one to be deployed to each of the regional offices.

43. Having established initial contact with counterparts in the Home Ministry and police, the priority for UNMIN police advisers is to build relationships at the regional and local level in order to support the UNMIN regional teams and government preparations for election security. As of 30 September, police advisers had deployed to Biratnagar, Pokhara and Dhangadi.

D. Civil affairs

44. Since my last report, the UNMIN Office of Civil Affairs has become close to fully operational, with 31 international and 13 national civil affairs officers deployed across the five regional offices and headquarters as at 30 September. The regional teams work closely with the Mission's thematic advisers on gender, child protection, and social inclusion, as well as with regional public information officers. They also maintain close links with the Office of the High Commissioner for Human Rights (OHCHR) and the Office for the Coordination of Humanitarian Affairs, working closely with them to ensure complementarity of activities and a clear understanding by local actors of their distinct mandates and roles.

45. The civil affairs offices have focused early activities on establishing liaison with regional and district authorities and civil society actors, as well as conducting baseline monitoring of critical peace process issues. They have concentrated on four general areas — governance and public administration, public security, political parties and civil society — as well as select in-depth issues, including worsening public security conditions in the central and eastern Terai.

46. Civil affairs monitoring has helped enhance the Mission's understanding of the extent of the challenge posed by absent or ineffective public administration, particularly at the village level, caused or compounded by public insecurity. In August, Village Development Committee secretaries declared two successive national strikes, citing lack of security and politicized governance conditions. Police in many areas suffer from low morale and a legacy of distrust on the part of the local population owing to perceptions or actuality of ineffectiveness and complicity with human rights abuse. This is compounded by various kinds of interference, which affects their ability to act independently, and there are no mechanisms for public accountability.

47. In the central and eastern Terai, these issues are further compounded by unresolved grievances, sectarian divisions, and cross-border criminal activity that have become pronounced in some areas since the Madhesi protest movement from January to March 2007. Indicators of communal tension include the flight of Pahadi public officials and intimidation of local journalists and human rights defenders who fear reprisals if they speak out for communal reconciliation. The expanded police

presence in the Terai has not effectively addressed the proliferation of armed groups or the broader public security vacuum.

48. By the end of September, there had been limited evidence of political party activity in relation to the election of the Constituent Assembly. District party leaders noted barriers to freedom of assembly and movement, especially posed by armed political groups, as well as lack of central guidance. Political leaders not belonging to the Eight-Party Alliance complained of exclusion from the political process. The role of civil society actors in the peace process remained limited, with civil society participation in some areas severely affected by communal tensions and related divisions.

49. The absence of an independent national monitoring body remains an impediment to the peace process. In September, the Government announced the formation of a new high-level monitoring commission. The terms of reference and membership of this new body have not been finally agreed, nor was the commission formed by mid-October.

E. Gender, child protection and social inclusion

50. During the reporting period, the UNMIN Gender Affairs Section focused on engaging civil society organizations and women's groups. At the beginning of October the Section comprised two international officers, two United Nations Volunteers, and one national support staff, with recruitment of national officers for UNMIN regional offices under way.

51. Among the concerns regularly expressed by women's groups is whether the election of the Constituent Assembly would ensure equitable representation for women and expression of their aspirations. UNMIN Gender Affairs staff have participated as observers in an increasing number of civil society and women's groups and initiatives aimed at enhancing the electoral participation of women, including those from traditionally marginalized groups. These included the first-ever national conference of Madhesi women with representation from over 20 Terai districts and a number of demonstrations by women of the Badi community, the most disadvantaged of the Dalit caste. In order to assist political parties in nominating women for the Constituent Assembly elections, a diverse women's alliance has created a database of over 3,000 potential women leaders from 74 of Nepal's districts.

52. The Gender Affairs Section is working closely with the United Nations country team and the peace support working group on Security Council resolution 1325 (2000) in order to promote the participation of women in the peace process. My Special Representative has regularly emphasized in his meetings and public statements the significant contribution women can make to the peace process and the importance of ensuring that their legitimate demands for representation are met through the electoral system.

53. The Child Protection Section is nearly fully operational, having recruited all but two of its 13 staff with deployment in all five regions. Working closely with the United Nations Children's Fund (UNICEF), OHCHR and members of the Nepal task force on children and armed conflict, child protection advisers are monitoring

recruitment and use of children by armed groups, as well as their release and reintegration.

54. UNMIN child protection advisers, in conjunction with UNICEF, are preparing to monitor the release and reintegration of combatants who are determined, through verification of cantoned Maoist personnel, to have been under 18 at the time of the May 2006 ceasefire, in accordance with the Comprehensive Peace Agreement. Substantial numbers of these were identified during verification in the first three Maoist army main cantonment sites. The stability of family structures and limited displacement during the conflict bodes well for successful reintegration. Girls may face a particular set of challenges in returning home, however, and the lack of economic opportunities in rural Nepal may offer very limited possibilities for returning youth beyond migrant work.

55. The Child Protection Section will also monitor the participation of children and young people in the Constituent Assembly election.

56. The UNMIN Social Affairs Section advises the Mission on issues related to traditionally marginalized groups and assists UNMIN staff in promoting social inclusion across relevant UNMIN activities. The Section consists of one international adviser, and the recruitment of five national officers is under way for deployment in regional offices

57. Representatives of traditionally marginalized groups express persistent concerns about exclusion from the peace process and from decision-making regarding the election of the Constituent Assembly. The Social Affairs Adviser meets regularly with such groups and works closely with the United Nations country team and donors through a social inclusion action group, in an effort to devise strategies to reduce social exclusion in relation to the peace process, and more generally.

F. Political affairs

58. The Political Affairs Office continued to monitor, analyse and assist the peace process, while closely tracking the dialogue between the interim Government and a variety of traditionally marginalized groups. Special attention was also paid to the increasing proliferation of small militant groups and fronts, both armed and unarmed, and their potential to serve as spoilers in the peace process.

59. My Special Representative, through his regular interaction with all concerned, has impressed upon all parties the urgency of maintaining and strengthening the unity of the Eight-Party Alliance (now seven-party) and fully implementing existing commitments, of addressing the concerns of traditionally marginalized groups and of improving security conditions in order to ensure an atmosphere conducive to elections.

G. Public information and outreach

60. Alongside continued emphasis on Nepal's national media, UNMIN public information activities placed particular emphasis on regional and district media. This has been enabled by the deployment of public information and outreach staff to all regions.

61. My Special Representative and his Deputy made a series of regional visits in order to engage with district and village-level government, political and civil society representatives, and to deliver addresses at relevant events. These visits, which were widely covered by local and national press, have enhanced the level of direct engagement with communities about their concerns related to the peace process. Critical themes in these interactions included public security, the need for cooperation at the local level between political parties and civil society, and the importance of dialogue with traditionally marginalized groups and women in order to ensure an inclusive electoral process. The UNMIN leadership has underscored the importance of free and peaceful political party activity at the village level in preparation for the election, along with the need for a conducive media environment. These issues have also been reflected in various UNMIN press statements.

62. UNMIN launched a twice-weekly radio programme (*UNMIN-ko Boli*) in August, along with a series of radio public service announcements. Produced in partnership with the national public broadcaster, Radio Nepal, these have aired on a wide range of Nepal's diverse radio networks that reach all parts of the country. Printed fact sheets, brochures and other materials were produced and disseminated to targeted audiences in the districts, including local authorities, political party representatives, and civil society organizations representing traditionally marginalized groups and women. UNMIN also started a monthly Mission newspaper (*UNMIN Patra*), which will be widely disseminated, and a new UNMIN website was launched in September. The Section works closely with the communications teams of other United Nations agencies to ensure consistency and maximum reach of information and messages.

63. The Translation and Interpretation Unit became fully operational within the reporting period. Alongside its routine functions, the Unit has become an important partner for communications and public outreach. The Unit has worked to systematize terminology in UNMIN Nepali language materials and ensure that all public information material is produced in Nepali to the highest standard. Staff have also assisted in developing the UNMIN radio programme in several of the regional languages of Nepal.

H. Safety and security

64. While the general level of staff safety and security remains unchanged, the overall security environment has become more volatile and can be expected to remain so, or to become increasingly troubled, in the coming weeks.

65. *Bandhs* (strikes) and protests by various groups occur regularly across the country, including in relation to fuel shortages that are frequently acute. Throughout the Terai districts, public security has diminished markedly, as witnessed in late September by the violence in parts of Kapilvastu district. The number of known armed and criminal groups operating in the Terai increased to over two dozen.

66. On 2 September, three small bombs exploded in Kathmandu, resulting in three deaths and over a dozen casualties. Two relatively unknown armed groups claimed responsibility, but the motives and actors behind the event remain unclear. Government officials and Maoist leaders, among others, have attributed the attacks to forces bent on disrupting the peace process. Although United Nations staff

members have not been directly targeted, on 12 September, a small explosive device was left outside the compound of the offices of OHCHR in the eastern Terai city of Biratnagar. The device was clearly not intended to inflict damage, but to draw attention to a written politically partisan message. The incident remains under investigation by the Nepal Police. In this context, the UNMIN Safety and Security Section, together with the Department of Safety and Security, is strengthening measures to ensure staff security.

67. The UNMIN Safety and Security Section is now close to full strength, including security staff assigned to regional offices.

V. Administration and logistics

68. During the reporting period, administrative and logistical support systems reached the strength and capacity required to support the operational elements of the Mission, in particular the mobile operations of arms monitors and electoral advisers. The main infrastructure of the five UNMIN regional offices has been put in place, and a limited number of prefabricated office containers are being added to absorb overflow from the main buildings. Medical support arrangements are complete, with UNMIN clinics operational in all five main locations.

69. UNMIN relies on a total vehicle establishment of 271, progressively deployed after installation of anti-blast film and essential communications equipment. UNMIN aviation assets, consisting of one fixed-wing aircraft, and four helicopters, transport an average 520 passengers and 5 tons of cargo per week. In addition to operational support for mission activities, UNMIN aircraft are occasionally tasked with assisting humanitarian operations, including relief for flood victims in the Terai region financed by the United Nations Development Programme (UNDP).

VI. Human rights

70. OHCHR continued to monitor the human rights situation, with particular reference to the peace process, and UNMIN and OHCHR maintain close coordination. The overall situation has grown more worrying, with increasing violence and instability in parts of the country. Political parties operate in some areas with constraints, including real or perceived threats and intimidation. With electoral campaigns having hardly begun, it remains to be seen how far political parties will be able to exercise their rights to freedom of assembly and association.

71. The activities of armed groups are also restricting space for political activities and local governance. The police have mostly been unable to protect the civilian population and curtail the activities of the groups. JTMM-Jwala Singh was allegedly responsible for 17 out of 26 reported killings by unidentified or known armed groups between mid-July and 30 September. Three more CPN(M) cadres were killed during that period, bringing the total killed since June to 13. During the same period, OHCHR received reports of 75 individuals abducted in the Terai, 42 of them allegedly by factions of JTMM.

72. There were serious concerns about increasing tensions between Madhesi and Pahadi communities. The outbreak of violence in Kapilvastu following the murder of a Muslim and former vigilante group leader on 16 September, which resulted in

at least 14 killings, several thousand displaced people and extensive property damage including to several mosques, highlighted once more the underlying explosive tensions between Terai communities. The pattern of non-intervention by local authorities and security forces to protect civilian populations was yet again evident and must be addressed urgently.

73. In its monitoring of police custody, OHCHR documented numerous allegations of illtreatment and torture during this period, as well as the secret, unacknowledged detention of suspects in the Kathmandu bombing case for up to 11 days in September. At a seminar in September, NGOs, OHCHR and others renewed calls for the Government to draft a law to criminalize and end impunity for torture. Thirty-eight abductions, and in some cases beatings by CPN(M) entities, were reported to OHCHR between 15 July and 30 September, mostly in the western and central regions and primarily in the context of "law enforcement" activities. Several cases of assault sometimes accompanied by face-blacking public humiliation were also reported. In early September, CPN(M) announced the reactivation of "people's councils", the nature of which is not yet clear. CPN(M) has denied they would be similar to the "people's courts" that operated as a parallel judicial system during the armed struggle.

74. After initial hope that there might be some progress in addressing impunity following the 1 June Supreme Court ruling on disappearances, the Government announced that it was setting up a commission of inquiry into disappearances on a basis that fell far short of international standards, although the commission has yet to start functioning. Furthermore, serious concerns were raised about a draft Truth and Reconciliation Commission bill, under which those responsible for gross human rights violations would be amnestied and which would have allowed potential excessive interference from the Government. The Ministry of Peace and Reconstruction has stated that it will hold five regional consultations to discuss the bill, but OHCHR is concerned that a far more extensive process of consultation is required.

75. In August, the Government published the report of the Rayamajhi Commission on violations during the King's Government, which included a recommendation for the prosecution of 31 members of the security forces. Some former ministers and others named in the report as being responsible for corruption or abuses challenged a provision of the electoral law that makes those named in the Commission report ineligible to stand in the elections of the Constituent Assembly; on 27 September a majority of the Supreme Court ruled that the provision was in breach of the interim Constitution.

76. Political pressures on police, including threats and intimidation to release anyone arrested who is linked with the major political parties, particularly CPN(M), have contributed to ongoing impunity for abuses and acts of violence especially in the context of protests. OHCHR is also concerned about amendments to the Local Administration Act, adopted in August, which gave greater powers to Chief District Officers to issue detention orders, for up to six months in some cases, for incidents related to public order.

77. In September, a parliamentary hearing confirmed the appointment of five commissioners for the national human rights commission, appointments that have been vacant for more than one year. There was criticism that the nomination process was flawed and did not meet international standards. Nevertheless, the appointments

will provide an important opportunity for the national human rights commission to be developed into an independent and credible body playing a crucial role in protecting and promoting the rights of Nepali citizens.

VII. United Nations country team coordination

78. Since my last report, UNMIN and the United Nations country team have intensified coordination efforts in relation to peace process assistance and recovery. The Coordination Unit in UNMIN is now fully operational, with the arrival of its two officers in September. It will operate closely with new staff in the office of the Resident Coordinator to complement at the operational level the existing management-level coordination mechanisms.

79. The level of support needed for crucial components of the peace process is high, with estimates in excess of $200 million to support a combination of management of Maoist army cantonments, the discharge and reintegration of combatants, re-establishment of public security in the countryside, support activities related to the Constituent Assembly, and the functioning of bodies outlined in the Comprehensive Peace Agreement. The Government also presented a broader social and economic programme in July that stresses poverty reduction and macroeconomic stability, along with special emphasis on social inclusion.

80. Activities related to the peace process are being financed primarily through twin trust funds, the government-operated Nepal Peace Trust Fund and the complementary United Nations peace fund for Nepal. These two funds operate under a common governance arrangement led by the Government and including my Special Representative, the Resident Coordinator and leading donors. The Nepal Peace Trust Fund has received approximately $13 million from five donors, who have also contributed approximately $4.5 million to the United Nations peace fund. I am grateful to Member States who have already contributed so generously, and UNMIN will work closely with the Government of Nepal to help mobilize additional resources that are urgently needed to facilitate and sustain the peace process.

81. The Nepal Peace Trust Fund has now fully committed its funds to projects designed to improve living conditions in Maoist army cantonments, finance voter education and training of electoral officers, and facilitate the return of internally displaced persons to their district of origin. The United Nations peace fund has supported complementary projects that can be implemented by United Nations agencies and that complement the UNMIN mandate. These include projects designed to support the second phase of Maoist army registration (verification) involving UNDP and UNICEF; provide health care in the Maoist cantonments through the United Nations Population Fund and the World Health Organization; contribute to mine action through the UNMIN Mine Action Unit and the United Nations Office for Project Services; support the Election Commission and the coordination of international election observers through UNDP; and support a decentralized network of humanitarian and peace support monitoring through the World Food Programme and OCHA.

82. The principal challenge in many parts of the country remains the implementation of initiatives, due to the absence of local counterparts and the emergence of local conflicts and increased criminal activity. UNMIN is advising the

United Nations country team and donor efforts to work with the Government to expand development activities in the Terai region. Donors, the development banks and United Nations agencies have responded to these difficulties by reaffirming their commitment to a set of operating principles that stress the impartiality of development work and by establishing an action plan to generate peace dividends. UNMIN has actively participated in these processes, and will continue to advise and support strategies to devise appropriate development initiatives that can underpin the peace process.

VIII. Observations

83. Nepal's peace process now stands at a crossroads. Significant strides have been made by the political parties, but the peace process is facing serious difficulties. The second postponement of the Constituent Assembly election has been a major disappointment for the people of Nepal and the international community. While the proximate causes for the postponement were the Maoist demands for the declaration of a republic and the adoption of a fully proportional electoral system for the election, the roots of the impasse are deeper and more complex. It is now essential for the parties to take a hard look at their differences and the underlying weaknesses of the peace process.

84. As partners in a peace process, the Seven-Party Alliance has the greatest and most direct interest in the success of that process. It also bears the responsibility for safeguarding the peace process and delivering on its promise to the people of Nepal to consolidate peace and establish the basis for restructuring the State through a credible election of the Constituent Assembly. I urge, therefore, the seven political parties to set aside their lesser differences and maintain their unity in the interest of the common national agenda. In order to broaden the national consensus and ensure an inclusive democratic process, they need to reach out to other social and political forces.

85. The political developments of the past year are significant enough to merit a review of the Comprehensive Peace Agreement and its implementation. The shortcomings and enduring strengths of the Comprehensive Peace Agreement need to be assessed in order to build on its achievements. The parties need to jointly and expeditiously identify the main issues that are of critical importance for the success of the peace process. They should engage in a debate on these issues, allowing for adequate public participation, and arrive at a broad road map to carry forward the peace process. In so doing, the crisis in the Terai and the deep grievances of the marginalized groups in general, which have such an immediate relevance to the ongoing transition, must be tackled without delay if a fully participatory election of the Constituent Assembly is to take place.

86. While the Government has reached a number of agreements with protesting marginalized groups, implementation of agreed decisions has lagged behind. Appropriate mechanisms need to be designed and empowered to give effect to the agreements reached. A serious effort needs to be made to improve the architecture and procedures of the negotiating process, which could benefit from better planning, improved consultation mechanisms and division of labour.

87. It is of the utmost importance for the parties to the peace process to respect their human rights commitments to the people of Nepal and international standards.

A pattern of repeated human rights violations and continuing impunity will not only have the cumulative effect of diminishing the prospect of a free and fair electoral process, but could also negatively impact the possibility of a more democratic and inclusive society that many Nepalese hope for.

88. UNMIN monitoring of arms and armed personnel continues to serve the important purpose of fostering confidence and goodwill. The verification of the ages and dates of recruitment of those initially registered is proceeding with the full cooperation of the Maoist army. However, it must be borne in mind that the cantonment and confinement of troops and the storage of weapons is a temporary arrangement aimed at assisting the creation of confidence for the election. At the end of this transition period this temporary arrangement has to be replaced by long-term solutions. Such plans have to be developed and agreed in advance. A prolonged stay in cantonments of thousands of mainly young people living under difficult conditions and lacking clarity about their future is not a sustainable situation. The agreed mechanisms for dealing with the future of the Maoist combatants and for the democratization of the Nepal Army should begin to function and develop the necessary plans without delay.

89. The peace process in Nepal is facing its most difficult challenges to date. In its statement postponing the election, the Seven-Party Alliance requested the international community and the United Nations to continue to support Nepal's peace process, the further development of democracy and the election of the Constituent Assembly. UNMIN continues to carry out its mandate to the best of its ability, and the Nepalese parties should benefit from it to the full extent.

90. In the preceding paragraphs, I have outlined a number of issues that in my estimation are critical for the success of the peace process. The United Nations is well placed and at the disposal of the Nepalese parties to assist in their effort to tackle these issues. The limited focus of the mandate of UNMIN has constrained its ability to adequately assist the overall management of the peace process, whose weakness has now become evident. While recognizing that ownership of the peace process is firmly with the people of Nepal, the United Nations and I stand ready to extend all necessary assistance. The expectations of the Nepalese people remain high. I strongly appeal to the Nepalese parties to come to a clear and firm agreement on consolidating the peace process and to set a realistic electoral timeline firmly grounded on such a consensus. They can count on the renewed support of the international community in this endeavour.

91. In conclusion, I would like to convey my appreciation to the Security Council and other Member States for their continued support to Nepal. I would also like to thank my Special Representative, his staff and their partner organizations for their dedicated efforts.

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Security Council

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Letter dated 9 October 2007 from the Secretary-General addressed to the President of the Security Council

I refer to Security Council resolution 1734 (2006), by which the Council approved a temporary increase in the strength of the military and police teams in the United Nations Integrated Office in Sierra Leone (UNIOSIL) of 5 military liaison officers and 10 civilian police officers for the period from 1 January to 31 October 2007, in order to enhance UNIOSIL capacity to support the security sector of Sierra Leone, before and during the recent presidential and parliamentary elections. In addition to providing electoral and operational planning support to the security sector of Sierra Leone, these personnel have played a critical role in monitoring, assessing and reporting on the security situation in the country.

In the light of the deterioration in the security situation during the period leading up to the elections, and considering the security challenges that the new Government will continue to face in the immediate post-elections period, UNIOSIL has recommended the retention of these 15 additional personnel for a further period of two months to enable the Office to continue to provide effective technical and operational planning support to the security sector of Sierra Leone.

In addition, it may be recalled that just before the elections, there had been growing dissatisfaction within the Sierra Leone army and police with their living and working conditions. UNIOSIL played a key role in monitoring this issue and in mobilizing donor and Peacebuilding Fund support, which helped to improve the situation and enabled the army and police to provide effective security for the elections. In its early days in office, the new Government will require the continued support of UNIOSIL and its international partners in addressing these challenges. Therefore, UNIOSIL military and police liaison officers will work closely with the International Military Advisory and Training Team, the Peacebuilding Commission and other international partners to support the security sector of Sierra Leone.

Under these circumstances, I would like to request that the Security Council approve the request of UNIOSIL to retain the 5 additional military liaison officers and 10 civilian police officers for a further period of two months, from 31 October to 31 December 2007. The related cost of their extension will be absorbed in the approved UNIOSIL budget for 2007.

I should be grateful if you would bring the present letter to the attention of the members of the Security Council.

(*Signed*) **Ban** Ki-moon

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Letter dated 18 October 2007 from the President of the Security Council addressed to the Secretary-General

I have the honour to inform you that your letter dated 9 October 2007 (S/2007/613) concerning your request that the Security Council approve the request of the United Nations Integrated Office in Sierra Leone to retain the additional 5 military liaison officers and 10 civilian police officers for a further period of two months, from 31 October to 31 December 2007, has been brought to the attention of the members of the Security Council. They have approved the request contained in your letter.

(*Signed*) Leslie Kojo **Christian**
President of the Security Council

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